

Hearing Date: October 19, 2011 at 10:00 a.m.

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:	:	Chapter 11 Case No.
	:	
LEHMAN BROTHERS HOLDINGS INC., <u>et al.</u> ,	:	08-13555 (JMP)
	:	
Debtors.	:	(Jointly Administered)
	:	
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**STATEMENT OF OFFICIAL COMMITTEE OF UNSECURED CREDITORS
IN SUPPORT OF MOTION OF LEHMAN COMMERCIAL PAPER INC. PURSUANT
TO SECTIONS 105(a) AND 363 OF THE BANKRUPTCY CODE AND RULE 9019 OF
THE FEDERAL RULES OF BANKRUPTCY PROCEDURE FOR AUTHORIZATION
TO RESTRUCTURE ITS INTERESTS IN ITALIAN REAL ESTATE FUND**

The Official Committee of Unsecured Creditors (the "Committee") appointed in the chapter 11 cases of Lehman Brothers Holdings Inc. and each of its affiliated debtors in possession (collectively, the "Debtors") hereby files this statement in support of the Motion of Lehman Brothers Commercial Paper Inc. ("LCPI") Pursuant to Sections 105(a) and 363 of the Bankruptcy Code and Rule 9019 of the Federal Rules of Bankruptcy Procedure for Authorization to Restructure its Interests in Italian Real Estate Fund [Docket No. 20311] (the "Motion");

STATEMENT

1. The Committee agrees with the Debtors that the proposed Restructuring¹ of the Calvino Facility is within LCPI's sound business judgment, is fair and equitable, and is in the best interests of the Debtors' estates and creditors.

2. The Committee and its financial advisors, both in the U.S. and Europe, have fully analyzed LCPI's options with respect to the Calvino Facility, including foreclosure, forcing a sale of the underlying real estate assets, further forbearance and the proposed Restructuring. Based on this diligence, the Committee believes that the Restructuring provides the best strategy available for LCPI to maximize the value of its interests in the Calvino Facility for the benefit of its estate and creditors.

3. Specifically, the Restructuring will allow LCPI to reach a consensual resolution with respect to one of its largest European positions and both realize an immediate substantial gain – from the release of the €116 million that has been embargoed pending the replacement of Lehman Brothers International (Europe) ("LBIE") as security agent of the Calvino Facility – and obtain repayment on its entire investment over the next two to three years. In addition, the conversion of LCPI's Tranche B debt into equity in Zwinger, and the extension of the maturity date of the Calvino Facility, should allow LCPI to maximize the value of its assets in the Berenice Fund by surviving the current instability in the Italian real estate market and increasing rental income through an aggressive leasing strategy. Finally, the proposed Restructuring will allow LCPI to avoid potentially costly and time-consuming litigation against LBIE, Zwinger and/or Banco Popolare di Milano, the holder of €50 million of Tranche A debt.

¹ Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Motion.

WHEREFORE, for the foregoing reasons, the Committee respectfully requests
that the Court grant the relief requested in the Motion and such other relief as is just.

Dated: New York, New York
October 14, 2011

MILBANK, TWEED, HADLEY & M^cCLOY LLP

By: /s/ Dennis F. Dunne

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